

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)
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Lifeline and Link-Up) **WC Docket No. 03-109**
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To the Commission:

Comments of: THE OKLAHOMA CORPORATION COMMISSION

**In the matter of Lifeline and Link-Up –Notice Of Proposed Rulemaking
WC Docket No. 03-109**

Adopted : May 23, 2003
Comment Date August 18, 2003

Released: June 9, 2003

Oklahoma Corporation Commission (OCC) welcomes the opportunity to participate and file comments on the Federal-State Joint Board Recommended Decision regarding modification to the Lifeline and Link-Up programs. As recommended by NOPR, OCC has commented on several issues such as effectiveness of the programs, income-base criteria, verification process, outreach, and other issues like disconnection for non-payment etc.

OCC, by and through its attorneys, submits these initial comments in the Federal Communications Commission's Notice of Proposed Rulemaking in the above docket.

A. The effectiveness of the current Lifeline/Linkup program

The Oklahoma Lifeline Program uses the federal eligibility criteria set by the FCC. The Oklahoma Universal Service Fund (OUSF) contributes \$1.17 per lifeline subscriber.

- The following statistics demonstrate the number of Oklahoma consumers participating in the Lifeline and LinkUp programs. This information is based on the USAC 3rd quarter 2003 reports published on the website:

For 2001

	<u># Of Subscribers</u>	<u>Amount</u>
Lifeline	67,122	\$ 6,481,056
Linkup	12,382	\$ 221,612

For 2002

	<u># of Subscribers</u>	<u>Amount</u>
Lifeline	119,181	\$12,475,580
Linkup	15,579	\$ 292,933

- The awareness and outreach for lifeline service has increased the number of subscribers in Oklahoma rapidly. There has been a **78% increase** in the total lifeline subscribers from year 2001 to year 2002.
- Oklahoma had 51,844 Tribal Customers out of 108,671 National Total Tribal Subscribers in year 2002. **(48% of the total national tribal subscribers were from Oklahoma)**
- Based on the information published by the **Oklahoma Department of Human Services (DHS)** for the fiscal year 2003:

Number of Average Monthly Customers participating for:

- | | |
|--|---------|
| • Food Stamps: | 366,060 |
| • Medicaid | 486,137 |
| • TANF (Temporary Assistance For Needy Families) | 8,485 |
| • State Supplement (Old, Blind, Disable) | 72,833 |

These numbers may contain duplicate eligible customers - e.g. # of participants in Food Stamp Program may be eligible for other programs at the same time. Also, more than one person from the same family can participate in any one of the above programs.

- B.** The following comments are based on the responses received from several Oklahoma ILECs participating in Lifeline Program, and data collected by Staff from other sources:

Income-base Criteria

1. Whether the FCC should expand the federal eligibility criteria to include an income based criterion. Paragraph 15 of the Recommended Decision recommends that when the consumer or family's income is at or below 135% of the Federal Poverty Guidelines (\$24,840) they should be eligible. Should this criterion be adopted?
 - **No. The OCC supports the FCC's and Joint Board's efforts to expand the criterion so more low-income consumers can have access to basic telephone service. However, the adoption of the proposed income based criterion for the entire country would have unintended consequences. \$24,840 is not necessarily considered "poverty level" in Oklahoma. The income-based criteria must be adjusted for local, regional inflation, just like Medicare and other government programs pay different amounts in different parts of the country**
 - **The Oklahoma Corporation Commission has previously approved the additional criterion of the Oklahoma Sales Tax Relief Program. This program is a state specific, income based program, which more accurately reflects "poverty level" in Oklahoma.**
 - **The OCC believes that rather than impose the federal poverty level nationwide, each state should have the opportunity to adopt a state**

specific income based program that more accurately reflects the “poverty level” of their state.

2. The Joint Board recommends that customers must present documentation of income-based eligibility. What should this documentation be?
 - **The most valid and easily verifiable documents can be: Prior years income tax return, proof of social security/retirement benefit, if applicable, salary verification from the employer and proof of welfare benefits.**
 - **If the FCC adopts the federal income-based eligibility, the carriers in Oklahoma would prefer something that would ease the administrative burden on them. The carriers do not desire to be the income monitoring agencies. They believe there is a conflict of interest in knowing customers income, and that this is an invasion of privacy. Trying to qualify a customer on an income-based criteria can be an embarrassment to the customer and the telephone company service representative; especially in the many small towns where everyone knows each other. The carriers therefore support the self-certification process.**
3. The Joint Board also recommends that states require income-based customers self certify to the number of members in their household.
 - **The carriers support self-certification process, and emphasize that if the criterion of eligibility has been met then the number of household members is not material information.**
4. Whether Temporary Assistance to Needy Families should be a criterion for the non-tribal Lifeline program.
 - **There are approximately 8,000 adults in Oklahoma participating in this program as of July 2003. Temporary Assistance For Needy Families (TANF) has a five-year lifetime limit for the eligible low-income families receiving assistance. Since this is a temporary program, the families either get discontinued or moved to another permanent program, and unless there is an annual recertification process this program would be difficult to monitor.**
5. Whether the National School Lunch Program should be a criterion for non-tribal Lifeline program.
 - **Yes. By including the National School Lunch Program as a criterion for non-tribal Lifeline, eligible parents of these students will not have to produce their income documentations to the carriers in order to receive lifeline phone service.**
6. Should other criterion be adopted such as the Tribal Commodity program?

- **Yes. The Commodities program is the federal counterpart of the Oklahoma Food Stamps Program. Many Oklahoma residents participate in this income based program, but do not qualify for Lifeline because it is not a qualifying criterion. There are approximately 366,000 participants in Oklahoma Food Stamps Program as of July 2003.**

Verification Process

1. Should Oklahoma adopt automatic enrollment in the Lifeline/Link-Up Program? If this is adopted, how will it be implemented and how will the telephone companies interact with the State agencies?
 - **Oklahoma law prohibits any state agency from sharing eligible customer information with the phone companies. Therefore, automatic enrollment would have to be implemented between the applicable state and federal agencies and the telephone companies.**
 - **Some carriers feel that without the appropriate safeguards, automatic enrollment could lead to non-eligible consumers receiving Lifeline Service. However, if implemented with appropriate safeguards, automatic enrollment could ease some of the administrative burden for the telephone companies.**
 - **Automatic enrollment could be implemented by posting Lifeline forms on each qualifying agency's web site that consumers could complete on-line, or having the agency complete the forms. Once the qualifying agency verifies the consumer's eligibility, they could send the form electronically to the telephone company that would be providing Lifeline service, each qualifying agency would maintain a list of all LECs offering Lifeline service and notify the appropriate company.**
 - **Since most consumers who qualify for Lifeline assistance do not have access to the Internet at their homes, they could use the Internet at no charge at their local public library to contact the qualifying agency.**

Outreach

1. While there are no set rules on how carriers should advertise the availability of the Lifeline Programs, the Joint Board recommends that 1) states and carriers should utilize outreach materials and methods designed to reach households that do not currently have telephone service; 2) states and carriers should develop outreach tools that will reach non-English speaking populations; and 3) states and carriers should coordinate outreach efforts with governmental agencies/tribes to administer any of the government assistance programs.

What are the best ways to accomplish the above?

- **Public Service Media Advertising (T.V., Radio, Newspapers etc.) is one of the ways to advertise the availability of program. While some households do not have a phone, most of them have T.V. or Radio. Public Service Announcements should be used to advertise the availability of the**

program, and notify the eligible customers to contact their local phone company for more information.

- Many people receiving assistance from DHS or tribal programs are below poverty level, and many are illiterate. Therefore, brochures and advertisement in the newspaper may not be very effective. There can be FCC produced TV Public Service Announcement as a nationwide campaign.
- The Ethnic Media should also announce and inform consumers about this program.
- The customers could be qualified by the appropriate agency (DHS, BIA etc.), and provide them with the brochure on Lifeline Service Program. The agency could provide necessary assistance in enrolling into the program.
- While the carriers believe additional advertising of the Program would be beneficial, the Carriers believe they should be reimbursed for additional advertising of the program. Most of the ILECs cannot afford television advertisements. The ILECs current advertising of Lifeline, coupled with state and federal reporting requirements, and administering the program to their customers is already costly.

Other Issues

1. Should Lifeline Service be offered to customers that have been disconnected for the non-payment of local or toll?
 - Lifeline Service should be available to all eligible customers, however, if a customer has been disconnected for non-payment, they should be required to repay the past due amounts. Lifeline is already offered to those disconnected for non-payment of toll. Non-payment of Toll will not affect the lifeline credit.
 - This is a problem that the eligible customers are constantly going on and off the Program as non-pay disconnects.
2. Should payment plans be set up for these customers?
 - Yes, the payment plan should be in place for the past balance before offering the lifeline service. All the current balance should be required to be paid in full to continue to receive the assistance. If the eligible customer is allowed to have a service without the payment of old bill, they may never pay it. The payment plan will be helpful.

The Oklahoma Corporation Commission believes the Lifeline and LinkUp Programs are beneficial to Oklahoma consumers, and appreciates the opportunity to provide comments in this docket.

Respectfully Submitted

By: _____
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